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EASTERN EUROPE

Communist Journalism Recent circulation losses in the Communist press, particularly in Western Europe, Scandinavia, and Latin America, may prove a serious handicap to local efforts to "sell" the Party line. Although circulation figures for Communist publications were high immediately following the war, popular support has been dwindling steadily during the past two years. The present decline appears to reflect: (1) popular dissatisfaction with the constant support given Soviet policies often in conflict with national interests; (2) a dearth of impersonal and accurate reporting; and (3) a lack of journalistic talent for organizing and directing the various publications. The loss of circulation revenue is not likely to be regained in the near future.

YUGOSLAVIA

Tito-Kremlin Conflict Although the USSR is unlikely at this time to use military force against Yugoslavia, various reports concerning Soviet military pressure against Tito indicate the Kremlin's growing readiness to resort to stronger measures to liquidate the Tito heresy. The Kremlin's intensified war of nerves may take the form of: (1) further planted reports of troop movements apparently directed against Tito; (2) a program of increased sabotage and subversive activities; (3) continued propaganda blasts designed to undermine Tito's internal and world position; (4) further economic pressure; (5) harassment by guerrilla forays, particularly in Yugoslav Macedonia; and (6) severance of diplomatic relations by various members of the Cominform bloc. If Tito pursues his present cautious but

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firm policy toward the USSR, however, he will probably be able to withstand the current phase of Soviet efforts to overthrow him and at the same time deny the Kremlin any basis for justifying the use of "more effective measures."

UK Trade Pact — The breakdown of current Yugoslav-UK trade negotiations would seriously impair western efforts to support the Tito regime. A basic problem confronting the UK is whether the political alignment of Yugoslavia with the West should be given precedence over UK economic requirements. Any decrease in shipments of machinery, crude oil, natural rubber, and wool from British sources will prove most injurious to the Yugoslav economy, and British economists maintain that the UK is unable to absorb the increased amounts of maize, timber, and miscellaneous commodities proposed by Yugoslavia in lieu of increased shipments of nonferrous metals. In addition, the UK has offered a credit limit of 7 million pounds in contrast to the 18 million pounds sterling credit which Yugoslavia insists is necessary to counteract the effects of the Cominform economic boycott.

FINLAND

Labor Split — The successful stand taken by the Finnish Labor Federation (SAK) against Communist-sponsored strikes is producing a serious split in the Finnish labor movement. Although some Communist-directed unions have indefinitely postponed their strikes under pressure from Social Democratic majorities, Communist-dominated unions in five other vital industries have been expelled from the Federation for ignoring SAK's back-to-work ultimatum. The strikes called

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